AMENDED IN SENATE JUNE 25, 2002 AMENDED IN SENATE JUNE 10, 2002 AMENDED IN ASSEMBLY APRIL 8, 2002

CALIFORNIA LEGISLATURE-2001-02 REGULAR SESSION

ASSEMBLY BILL

No. 3024

Introduced by Committee on Transportation (Dutra (Chair), Chu, Firebaugh, Kehoe, Liu, Longville, Nakano, Oropeza, Strom-Martin, and Vargas)

March 7, 2002

An act to amend Sections 544, 8057, 8058, 8201, 9255, 11803, 12509, 12810, 12814.6, 15278 and 34631 of, and to add Section 9553.5 to, the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 3024, as amended, Committee on Transportation. Vehicles. Existing law requires mileage records for vehicles operated under fleet registration *to* be maintained for 5 years, or until audited, whichever occurs first. Existing law also requires declared gross or combined gross weight records for those vehicles *to* be maintained for 3 years following the date the vehicle is deleted from the fleet.

This bill would instead require mileage records *to* be maintained for 3 years from the close of the registration year. This bill would require declared gross and combined gross weight records *to* be maintained for 4 years.

Existing law requires the Department of Motor Vehicles to impose a penalty of \$50 or 10% of underpaid fees, whichever is greater, for AB 3024 — 2 —

underpaid fees due in connection with apportioned registration, as specified.

This bill would make imposition of that penalty discretionary. This bill would also specify when waivers of the penalty would be authorized, and when penalty provisions imposed by other provisions of existing law would control, as specified.

Existing law provides that fees, including penalties and service fees, due for the operation of a fleet apportionately registered vehicle are a lien upon all vehicles operated as part of the fleet, and upon any other fleet vehicles operated by the registrant. Existing law also provides, and that these liens expire 3 years from the date the fee or penalty first becomes due, unless the lien is perfected, in which case the lien expires 5 years from the date of perfection, as specified.

This bill would provide that fees, including penalties and service fees, due for the operation of a fleet apportionately registered vehicle are a lien upon all vehicles operated as part of the fleet, and upon any other fleet vehicles operated by the registrant. This bill would also provide that liens arising because of an audit *shall instead* expire 4 years from the date the registration fees first become due, unless perfected, in which case the lien expires 5 years from the date of perfection, as specified. This bill would continue to provide for all other liens arising pursuant to these provisions that they would expire in 3 years, unless perfected, in which case the lien expires 5 years from the date of perfection, as specified.

Existing law provides for the imposition of a transfer fee by the owner of a trailer, trailer coach, or commercial vehicle.

This bill would delete the provision imposing the transfer fee in the case of a trailer.

Existing law provides for issuance of a temporary permit for a person applying for a vehicle salesperson's license. Existing law also provides that the permit becomes invalid when the Department of Motor Vehicles issues, or refuses to issue, a license, unless the applicant demands a hearing as provided.

This bill would delete the provisions relating to *the* provision of a hearing, and instead would provide that the permit-would *shall* become invalid when canceled or when the applicant's license is issued or issuance has been refused.

Existing law provides that any person, while having in his or her possession a valid instruction permit, may operate a motor vehicle, other than a motorcycle or motorized bicycle, when either taking driver __ 3 __ AB 3024

training instruction or when practicing that instruction, provided the person is accompanied by, and is under the immediate supervision of, a California licensed driver 25 years of age or older whose driving privilege is not on probation. Existing law further provides that any driver's license issued to a person who is at least 16 years of age but under 18 years of age shall be issued pursuant to a provisional licensing program, as specified.

This bill would instead authorize a person who possesses a valid instruction permit that was not issued pursuant to a provisional licensing program to operate a motor vehicle, other than a motorcycle or motorized bicycle, provided the person is accompanied by, and is under the immediate supervision of, a California licensed driver 18 years of age or older whose driving privilege is not on probation.

Existing law generally requires the driver of a commercial motor vehicle that carries hazardous materials or that is hauling hazardous waste, as specified, to obtain an endorsement issued by the Department of Motor Vehicles in order to operate the vehicle. This requirement is not applicable to specified persons operating a vehicle transporting asphalt or coal tar pitch, as specified, or to specified persons transporting hazardous waste, as specified.

This bill would delete the above exemptions from the endorsement requirement and would make a clarifying change.

Existing law requires proof of financial responsibility for vehicles used by motor carriers. Existing law also specifies the acceptable documentation for proof of financial responsibility.

This bill would add to the list of acceptable documentation, proof of insurance coverage provided by a charitable risk pool, as specified.

This bill would also provide that the term "total loss salvage vehicle" also means a vehicle for which a total loss payoff has been made by an insurer, whether or not the vehicle is subsequently repaired; and would make other technical, conforming changes.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 544 of the Vehicle Code is amended to 2 read:
- 3 544. "Total loss salvage vehicle" means either of the
- 4 following:

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 (a) A vehicle, other than a nonrepairable vehicle, of a type subject to registration that has been wrecked, destroyed, or damaged, to an extent that the owner, leasing company, financial institution, or the insurance company that insured or is responsible for the repair of the vehicle, considers it uneconomical to repair the vehicle and because of this, the vehicle is not repaired by or for the person who owned the vehicle at the time of the event resulting in damage.

- (b) A vehicle for which a total loss payoff has been made by an insurer, whether or not the vehicle is subsequently repaired.
- SEC. 2. Section 8057 of the Vehicle Code is amended to read: 8057. Any person issued fleet registration pursuant to Article 9.5 (commencing with Section 5301) of Chapter 1 or this article shall:
- (a) Maintain fleet records that support the reported mileage, cost, and declared gross or combined gross vehicle weight of all vehicles. Any registrant whose application for apportioned registration has been accepted shall preserve the mileage records on which the application is based, including copies of all permits, for a period of three years after the close of the registration year. Vehicle cost and declared gross or combined gross weight records shall be retained for four years following the date the vehicle is deleted from the fleet.
- (b) Make fleet records available to the department at its request for audit to verify the accuracy of the records. In the event the records are not made available within 30 days of the request, the department may assess full California fees and penalties and may suspend or cancel apportioned registration privileges. The registrant may be required to reimburse the department auditor per diem and travel expenses under certain conditions as determined by the director.

SEC. 3.

- SEC. 2. Section 8058 of the Vehicle Code is amended to read: 8058. (a) The department shall charge interest on any underpaid fees due under this article, at the rate of 1 percent per month of the underpaid portion of the fees, commencing on the date the underpaid portion of the fees were originally due and accruing monthly until paid.
- (b) Interest charged under subdivision (a) shall continue to accumulate during any disputation of the underpaid fees or any

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hearing regarding the underpaid fees. During any disputation or hearing, the registrant may pay the underpaid fees and other charges to avoid additional interest charges and may request a refund of any overpaid fees after final review.

- (c) For any underpaid fees, the department may impose a penalty of fifty dollars (\$50) or 10 percent of the underpaid fees, whichever is greater, commencing on the date the underpaid fees were determined to be due.
- (d) For the purposes of this section, "underpaid fees" include additional vehicle registration, weight, and license fees found to be due to this state.
- (e) The director shall have discretion to apply subdivision (b) of Section 9562 instead of subdivision (c) of this section.
- (f) The penalty structure set forth in Sections 9554 and 9554.5 shall apply in place of the provisions of this section in those cases where there is a violation of Section 4000, 4000.4, 4002, 4003, 4004, 4004.5, or 4156 for commercial registration that is not apportioned pursuant to Section 8050.

SEC. 4.

- SEC. 3. Section 8201 of the Vehicle Code is amended to read: 8201. (a) Fees determined to be due, including penalties and service fees, for the operation of a fleet apportionately registered vehicle shall be a lien upon all vehicles operated as part of the fleet and on any other fleet vehicles operated by the registrant. The department may collect the amount of the lien, plus costs, not to exceed two hundred fifty dollars (\$250), in an appropriate civil action and by seizure and sale of the vehicle.
- (b) Liens arising as the result of an audit expire four years from the date the registration fees first become due unless the lien is perfected pursuant to subdivision (d).
- (c) Any lien arising under this section that is not subject to subdivision (b) expires three years from the date the fee or penalty first became due unless the lien is perfected pursuant to subdivision (d).
- (d) A lien shall be perfected when a notice is mailed to the registrant at the address shown on the department's records and the lien is recorded on the electronic vehicle registration records of the department. A perfected lien shall expire five years from the date of perfection.

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(e) Prior to the expiration of the statute of limitations, the registrant may consent to a waiver which would allow the assessment of fees and penalties past the statute of limitations.

SEC. 5.

SEC. 4. Section 9255 of the Vehicle Code is amended to read: 9255. Upon application for the transfer of the title or any interest of an owner or legal owner in or to a vehicle registered under this code, or for which a certificate of ownership has been issued without registration under Section 4452, other than upon a transfer to a chattel mortgagee and other than upon a transfer to a transferee not required under this code to obtain the issuance to the owner of a new certificate of ownership and registration card, there shall be paid the following fees:

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15 (1) For a transfer by the owner of an automobile or 16 motorcycle \$15 17 (2) For a transfer by the owner of a trailer coach or commercial 18 vehicle \$15 19 (3) For a transfer by the legal owner \$15 20 (4) When an application is presented showing a transfer by both 21 the owner and legal owner of an automobile or 22 motorcycle \$15 23 (5) When an application is presented showing a transfer by both 24 the owner and legal owner of a trailer coach or commercial 25 vehicle \$15

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SEC. 6.

- SEC. 5. Section 9553.5 is added to the Vehicle Code, to read: 9553.5. (a) Whenever the total registration, weight, and vehicle license fees have not been paid in full for an application for registration of vehicles registered pursuant to Article 4 (commencing with Section 8050) of Chapter 4, the registrant shall have 20 days from the date of notice by the department to pay the balance of the fees due.
- (b) Failure to pay the balance of the fees due within 20 days shall subject the application to penalties, as defined in Sections 9554 and 9554.5, on the unpaid portion of the California fees due.
- 38 SEC. 7.
- 39 SEC. 6. Section 11803 of the Vehicle Code is amended to read:

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11803. Pending the satisfaction of the department that the applicant has met the requirements of this chapter, it may issue a temporary permit to any person applying for a vehicle salesperson's license. The temporary permit shall permit the operation by the salesperson for a period of not more than 120 days while the department is completing its investigation of the applicant for the license. If the department determines to its satisfaction that the temporary permit was issued upon a fraudulent application or determines or has reasonable cause to believe that the application is incorrect or incomplete or the temporary permit was issued in error, the department may cancel the temporary permit, effective immediately. The temporary permit shall become invalid when canceled or when the applicant's license has been issued or refused.

SEC. 8.

SEC. 7. Section 12509 of the Vehicle Code is amended to read:

- 12509. (a) Except as otherwise provided in subdivision (f) of Section 12514, the department, for good cause, may issue an instruction permit to any physically and mentally qualified person who meets one of the following requirements and who applies to the department for an instruction permit:
- (1) Is age 15 years and 6 months or over and has successfully completed approved courses in automobile driver education and driver training as provided in paragraph (3) of subdivision (a) of Section 12814.6.
- (2) Is age 15 years and 6 months or over and has successfully completed an approved course in automobile driver education and is taking driver training as provided in paragraph (3) of subdivision (a) of Section 12814.6.
- (3) Is age 15 years or over and is enrolled in an approved driver education course and is at the same time or during the same semester enrolled in an approved driver training course.
 - (4) Is over the age of 17 years and 6 months.
- (b) The applicant shall qualify for and be issued an instruction permit within 12 months from the date of the application.
- (c) An instruction permit issued pursuant to subdivision (a) shall entitle the applicant to operate a vehicle, subject to the limitations imposed by this section and any other provisions of

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39 40 law, upon the highways for a period not exceeding 24 months from the date of the application.

- (d) Except as provided in Section 12814.6, any person, while having in his or her immediate possession a valid permit issued pursuant to subdivision (a), may operate a motor vehicle, other than a motorcycle or a motorized bicycle, when accompanied by, and under the immediate supervision of, a California licensed driver with a valid license of the appropriate class, 18 years of age or over whose driving privilege is not on probation. Except as provided in subdivision (e), an accompanying licensed driver at all times shall occupy a position within the driver's compartment that would enable the accompanying licensed driver to assist the person in controlling the vehicle as may be necessary to avoid a collision and to provide immediate guidance in the safe operation of the vehicle.
- (e) Any person while having in his or her immediate possession a valid permit issued pursuant to subdivision (a), who is age 15 years and 6 months or over and who has successfully completed approved courses in automobile education and driver training as provided in paragraph (3) of subdivision (a) of Section 12814.6, and any person while having in his or her immediate possession a valid permit issued pursuant to subdivision (a) who is age 17 years and 6 months or over, may, in addition to operating a motor vehicle pursuant to subdivision (d), also operate a motorcycle or a motorized bicycle, except that the person shall not operate a motorcycle or a motorized bicycle during hours of darkness, shall stay off any freeways that have full control of access and no crossings at grade and shall not carry any passenger except an instructor licensed under Chapter 1 (commencing with Section 11100) of Division 5 of this code or a qualified instructor as defined in Section 18252.2 of the Education Code.
- (f) The department may also issue an instruction permit to a person who has been issued a valid driver's license to authorize the person to obtain driver training instruction and to practice that instruction in order to obtain another class of driver's license or an endorsement.
- (g) The department may further restrict permits issued under subdivision (a) as it may determine to be appropriate to assure the safe operation of a motor vehicle by the permittee.

SEC. 9.

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1 SEC. 8. Section 12810 of the Vehicle Code is amended to 2 read:

- 12810. In determining the violation point count, the following shall apply:
- (a) Any conviction of failure to stop in the event of an accident in violation of Section 20001 or 20002 shall be given a value of two points.
- (b) Any conviction of a violation of Section 23152 or 23153 shall be given a value of two points.
- (c) Any conviction of reckless driving shall be given a value of two points.
- (d) (1) Any conviction of a violation of subdivision (c) of Section 192 of the Penal Code, or of Section 2800.2 or 2800.3, subdivision (b) of Section 21651, subdivision (b) of Section 22348, subdivision (a) of Section 23109, subdivision (c) of Section 23109, or Section 31602 of this code, shall be given a value of two points.
- (2) Any conviction of a violation of subdivision (a) or (b) of Section 23140 shall be given a value of two points.
- (e) Except as provided in subdivision (g), any other traffic conviction involving the safe operation of a motor vehicle upon the highway shall be given a value of one point.
- (f) Any traffic accident in which the operator is deemed by the department to be responsible shall be given a value of one point.
- (g) (1) A violation of paragraph (1), (2), (3), or (5) of subdivision (b) of Section 40001 shall not result in a violation point count being given to the driver if the driver is not the owner of the vehicle.
- (2) Any conviction of a violation of paragraph (1) or (2) of subdivision (b) of Section 12814.6, subdivision (a) of Section 21116, Section 21207.5, 21708, 21710, 21716, 23120, 24800, or 26707 shall not be given a violation point count.
- (3) A violation of Section 23136 shall not result in a violation point count.
- (h) A conviction for only one violation arising from one occasion of arrest or citation shall be counted in determining the violation point count for the purposes of this section.
- 38 (i) Any conviction of a violation of Section 14601, 14601.1, 14601.2, 14601.3, or 14601.5 shall be given a value of two points.

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1 (j) Any conviction of a violation of Section 27360 or 27360.5 shall be given a value of one point.

SEC. 10.

- 4 SEC. 9. Section 12814.6 of the Vehicle Code is amended to 5 read:
 - 12814.6. (a) Notwithstanding any other provision of law, any driver's license issued to a person at least 16 years of age but under 18 years of age shall be issued pursuant to the provisional licensing program contained in this section. The program shall consist of all of the following components:
 - (1) Upon application for an original license, the applicant shall be issued an instruction permit pursuant to Section 12509. A person who has in his or her immediate possession a valid permit issued pursuant to Section 12509 may operate a motor vehicle, other than a motorcycle or motorized bicycle, only when the person is either taking the driver training instruction of a kind referred to in paragraph (3) or practicing that instruction, provided the person is accompanied by, and is under the immediate supervision of, a California licensed driver 25 years of age or older whose driving privilege is not on probation. The age requirement of this paragraph does not apply if the licensed driver is the parent, spouse, or guardian of the permitholder or is a licensed or certified driving instructor.
 - (2) The person shall hold an instruction permit for not less than six months prior to applying for a provisional driver's license.
 - (3) The person shall have complied with one of the following:
 - (A) Satisfactory completion of approved courses in automobile driver education and driver training maintained pursuant to provisions of the Education Code in any secondary school of California, or equivalent instruction in a secondary school of another state.
 - (B) Satisfactory completion of six hours or more of behind-the-wheel instruction by a driving school or an independent driving instructor licensed under Chapter 1 (commencing with Section 11100) of Division 5 and either an accredited course in automobile driver education in any secondary school of California pursuant to provisions of the Education Code or satisfactory completion of equivalent professional instruction acceptable to the department. To be acceptable to the department, the professional instruction shall meet minimum standards to be

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prescribed by the department, which standards shall be at least equal to the requirements for driver education and driver training contained in the rules and regulations adopted by the State Board of Education pursuant to the Education Code. A person who has complied with this subdivision shall not be required by the governing board of a school district to comply with subparagraph (A) in order to graduate from high school.

- (C) No student shall take driver training instruction, unless he or she is at the same time taking driver education instruction or has successfully completed driver education.
- (4) The person shall complete 50 hours of supervised driving practice prior to the issuance of a provisional license, which is in addition to any other driver training instruction required by law. Not less than 10 of the required practice hours shall include driving during darkness, as defined in Section 280. Upon application for a provisional license, the person shall submit to the department the certification of a parent, spouse, guardian, or licensed or certified driving instructor that the applicant has completed the required amount of driving practice and is prepared to take the department's driving test. A person without a parent, spouse, guardian, or who is an emancipated minor, may have a licensed driver 25 years of age or older or a licensed or certified driving instructor complete the certification. This requirement does not apply to motorcycle practice.
- (5) The person shall successfully complete an examination required by the department. Before retaking a test, the person shall wait for not less than one week after failure of the written test and for not less than two weeks after failure of the driving test.
- (b) Commencing July 1, 1998, the provisional driver's license shall be subject to all of the following restrictions:
- (1) Except as specified in paragraph (3), during the first six months after issuance of a provisional license the licensee shall not do any of the following unless accompanied and supervised by a licensed driver who is the licensee's parent or guardian, a licensed driver who is 25 years of age or older, or a licensed or certified driving instructor:
 - (A) Drive between the hours of 12 a.m. and 5 a.m.
 - (B) Transport passengers who are under 20 years of age.
- (2) During the second six months after issuance of a provisional license the licensee may transport passengers under the age of 20

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years between the hours of 5 a.m. and 12 a.m. without supervision.
This driving time restriction shall not modify or alter any local ordinance that restricts or prohibits cruising during specified proscribed hours. However, the restriction imposed under subparagraph (A) of paragraph (1) shall continue to apply during this period.

- (3) A licensee may drive between the hours of 12 a.m. and 5 a.m. or transport an immediate family member without being accompanied and supervised by a licensed driver who is the licensee's parent or guardian, a licensed driver who is 25 years of age or older, or a licensed or certified driving instructor, in the following circumstances:
- (A) Medical necessity of the licensee when reasonable transportation facilities are inadequate and operation of a vehicle by a minor is necessary. The licensee shall keep in his or her possession a signed statement from a physician familiar with the condition, containing a diagnosis and probable date when sufficient recovery will have been made to terminate the necessity.
- (B) Schooling or school-authorized activities of the licensee when reasonable transportation facilities are inadequate and operation of a vehicle by a minor is necessary. The licensee shall keep in his or her possession a signed statement from the school principal, dean, or school staff member designated by the principal or dean, containing a probable date that the schooling or school-authorized activity will have been completed.
- (C) Employment necessity of the licensee when reasonable transportation facilities are inadequate and operation of a vehicle by a minor is necessary. The licensee shall keep in his or her possession a signed statement from the employer, verifying employment and containing a probable date that the employment will have been completed.
- (D) Necessity of the licensee or the licensee's immediate family member when reasonable transportation facilities are inadequate and operation of a vehicle by a minor is necessary to transport the licensee or the licensee's immediate family member. The licensee shall keep in his or her possession a signed statement from a parent or legal guardian verifying the reason and containing a probable date that the necessity will have ceased.
 - (E) The licensee is an emancipated minor.

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(c) A law enforcement officer shall not stop a vehicle for the sole purpose of determining whether the driver is in violation of the restrictions imposed under subdivision (b).

- (d) (1) Upon a finding that any licensee has violated paragraph (1) or (2) of subdivision (b), the court shall impose one of the following:
- (A) Not less than eight hours nor more than 16 hours of community service for a first offense and not less than 16 hours nor more than 24 hours of community service for a second or subsequent offense.
- (B) A fine of not more than thirty-five dollars (\$35) for a first offense and a fine of not more than fifty dollars (\$50) for a second or subsequent offense.
- (2) If the court orders community service, the court shall retain jurisdiction until the hours of community service have been completed.
- (3) If the hours of community service have not been completed within 90 days, the court shall impose a fine of not more than thirty-five dollars (\$35) for a first offense and not more than fifty dollars (\$50) for a second or subsequent offense.
- (e) No conviction of paragraph (1) or (2) of subdivision (b), when reported to the department, shall be disclosed as otherwise specified in Section 1808 or constitute a violation point count value pursuant to Section 12810.
- (f) Any term of restriction or suspension of the driving privilege imposed on a person pursuant to this subdivision shall remain in effect until the end of the term even though the person becomes 18 years of age before the term ends.
- (1) The driving privilege shall be suspended when the record of the person shows one or more notifications issued pursuant to Section 40509 or 40509.5. The suspension shall continue until any notification issued pursuant to Section 40509 or 40509.5 has been cleared.
- (2) A 30-day restriction shall be imposed when a driver's record shows a violation point count of two or more points in 12 months, as determined in accordance with Section 12810. The restriction shall require the licensee to be accompanied by a licensed parent, spouse, guardian, or other licensed driver 25 years of age or older, except when operating a class M vehicle, or so licensed, with no passengers aboard.

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(3) A six-month suspension of the driving privilege and a one-year term of probation shall be imposed whenever a licensee's record shows a violation point count of three or more points in 12 months, as determined in accordance with Section 12810. The terms and conditions of probation shall include, but not be limited to, both of the following:

- (A) The person shall violate no law which, if resulting in conviction, is reportable to the department under Section 1803.
 - (B) The person shall remain free from accident responsibility.
- (g) Whenever action by the department under subdivision (f) arises as a result of a motor vehicle accident, the person may, in writing and within 10 days, demand a hearing to present evidence that he or she was not responsible for the accident upon which the action is based. Whenever action by the department is based upon a conviction reportable to the department under Section 1803, the person has no right to a hearing pursuant to Article 3 (commencing with Section 14100) of Chapter 3.
- (h) The department shall require any person whose driving privilege is suspended or revoked pursuant to subdivision (f) to submit proof of financial responsibility as defined in Section 16430. The proof of financial responsibility shall be filed on or before the date of reinstatement following the suspension or revocation. The proof of financial responsibility shall be maintained with the department for three years following the date of reinstatement.
- (i) Notwithstanding any other provision of this code, the department may issue a distinctive driver's license, which displays a distinctive color or a distinctively colored stripe or other distinguishing characteristic, to persons at least 16 years of age and older but under 18 years of age, and to persons 18 years of age and older but under 21 years of age, so that the distinctive license feature is immediately recognizable. The features shall clearly differentiate between drivers' licenses issued to persons at least 16 years of age or older but under 18 years of age and to persons 18 years of age or older but under 21 years of age.

If changes in the format or appearance of drivers' licenses are adopted pursuant to this subdivision, those changes may be implemented under any new contract for the production of driver's licenses entered into after the adoption of those changes. — 15 — AB 3024

- (j) The department shall include, on the face of the provisional driver's license, the original issuance date of the provisional driver's license in addition to any other issuance date.
- 4 (k) This section shall be known and may be cited as the 5 Brady-Jared Teen Driver Safety Act of 1997.

SEC. 11.

- SEC. 10. Section 15278 of the Vehicle Code is amended to read:
- 15278. (a) A driver is required to obtain an endorsement issued by the department to operate any commercial motor vehicle that is any of the following:
 - (1) A double trailer.
- (2) A passenger transportation vehicle, which includes, but is not limited to, a bus, farm labor vehicle, or general public paratransit vehicle when designed, used, or maintained to carry more than 10 persons including the driver.
 - (3) A tank vehicle.
- (4) A vehicle carrying hazardous materials, as defined in Section 353, that is required to display placards or markings pursuant to Section 27903, unless the driver is exempt from the endorsement requirement as provided in subdivision (b). This paragraph does not apply to any person operating an implement of husbandry who is not required to obtain a driver's license under this code.
- (b) This section does not apply to any person operating a vehicle in an emergency situation at the direction of a peace officer pursuant to Section 2800, or to a driver issued a restricted firefighter's license and driving a vehicle operated for the purpose of hauling compressed air tanks for breathing apparatus that do not exceed 2,500 pounds.

SEC. 12.

- SEC. 11. Section 34631 of the Vehicle Code is amended to read:
- 34631. The proof of financial responsibility required under Section 34630 shall be evidenced by the deposit with the department, covering each vehicle used or to be used under the motor carrier permit applied for, of one of the following:
- (a) A certificate of insurance, issued by a company licensed to write insurance in this state, or by a nonadmitted insurer subject to Section 1763 of the Insurance Code, if the policies represented

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by the certificate comply with Section 34630 and the rules promulgated by the department pursuant to Section 34604.

- (b) A bond of a surety company licensed to write surety bonds in the state.
- (c) Evidence of qualification of the carrier as a self-insurer as provided for in subdivision (a) of Section 34630. However, any certificate of self-insurance granted to a motor carrier of property shall be limited to serve as proof of financial responsibility under paragraphs (1) and (2) of subdivision (a) of Section 34631.5 minimum limits only and shall not be acceptable as proof of financial responsibility for the coverage required pursuant to paragraph (3) or (4) of subdivision (a) of Section 34631.5.
- (d) Evidence on a form that indicates that coverage is provided 14 by a charitable risk pool operating under Section 5005.1 of the Corporations Code, if the registered owner of the vehicle is a nonprofit organization that is exempt from taxation under paragraph (3) of subsection (c) of Section 501 of the United States Internal Revenue Code. The form shall include all of the following:
 - (1) The name and address of the motor carrier.
 - (2) The name and address of the charitable risk pool providing the policy for the motor carrier.
 - (3) The policy number, effective date, and liability limits of the
- 25 (4) A statement from the charitable risk pool that the policy meets the requirements of Section 34631.5.